



ADVISOR

April 2026

“Dedicated to Providing Retirement Security for Firefighters and Police Officers – Past, Present, and Future.”

From the Executive Director, *Gail A. Jensen*



Gail A. Jensen

I bet you’re thinking that this page looks a little different than it has for the last 25 years!

Please allow me to introduce myself. I am the new Executive Director of the Pension Fund.

Hopefully, I look at least a little familiar to you, as I’ve been the General Counsel here at the Fund for the past 9 years.

After 28 years of dedicated service to the Pension Fund, **Warren Schott** made the difficult decision to retire. And when Warren announced his retirement, the Board wasted no time launching a nationwide search for his replacement.

I am both grateful and humbled by the Board’s decision to select me as Warren’s successor. I know that I have some very big shoes to fill.

Warren’s hard work over the years has ensured that the Fund is one of the financially healthiest in the state. My focus will be on carrying on that work to ensure the secure retirements for our firefighters, police officers and their families.

Over the last 9 years, I’ve worked closely with the Board and with Warren, so I know the Pension Fund well. This knowledge will allow

me to keep the Fund operating strong and steady. I’m excited to be a part of the Fund’s next chapter.

Other Changes. In addition to the change in the Executive Director, there also have been a few other changes here at the Pension Fund.

San Antonio Mayor **Gina Ortiz Jones** appointed Councilwoman **Misty Spears** as her Designee to the Pension Fund Board.

As you know, the Pension Fund is governed by a nine-member Board: three fire representatives (two active and one retired); three police representatives (two active and one retired); and three City representatives (two Councilmembers and the Mayor/Mayoral Designee). We welcome Councilwoman Spears and look forward to working with her.

We also will be hiring a new Chief Financial Officer. **Mark Gremmer**, our current CFO, is retiring at the end of the month. Mark has been with the Pension Fund since 2000, and has been a dedicated steward of the Fund for over two decades.

And with my new position at the Fund, we also will be hiring a new General Counsel. We are working hard to make sure we hire the right people for these positions, and plan to be fully staffed by April.

New Website Coming! There also will be one other change at the Pension Fund – and that’s the website.

(Continued, next page)

Executive Director Update, Continued

There are new federal regulations that require us to update our website. Board Chairman **Shawn Griffin** appointed a special Ad Hoc Committee to oversee the process, and the Committee has been hard at work with staff and a consultant to give the website a bit of a refresh and make sure it complies with the regulations, while also making it as user-friendly as possible. The new website should be live sometime in April.

Fund Performance Remains Strong. Something that hasn't changed is the strength of the Fund. Our investment returns for 2025 are expected to be right around 11%, which is much higher than our annual goal of 7.25%. With that return, the Pension Fund stands at approximately \$4.5 Billion, which means we continue to be one of the best funded large plans in the state. **Cary Hally**, our CIO, will provide more details about our investment portfolio on page 9.

Retirement Planning for Members. Last but not least, we continue to offer a variety of information sessions for members who are beginning to plan for their retirement.

Our next full-day **Pre-Retirement Seminar** is scheduled for Friday, May 15th at the San Antonio Shrine Auditorium.

And we hold monthly **Financial Planning Seminars** at the Pension Fund Office the first Friday or Monday of each month. These monthly sessions are half-day sessions and focus on Benefits, Retiree Healthcare and Financial Planning. Please reach out to the Pension Fund Office or check our website if you're interested in attending.

My Sincere Honor! I'd like to close by saying again how honored I am to be able to continue my work for you – the members – in this new role. All of us at the Pension Fund are here to serve. If you have questions, need anything, or simply want to come by and say "hi", please do!



SAFPPF Trustees stand with newly appointed Executive Director Gail Jensen as the Fund marks a leadership transition. The Board recognized both Jensen's appointment and Warren Schott's 28 years of dedicated service at its February 25 meeting. From left in the photo are SAFPPF Trustees Washington Moscoso, Harry Griffin, Larry Reed, Executive Director Gail Jensen, Board Chair Shawn Griffin, Trustees Dr. Sukh Kaur and Michael McCarty.



Shawn Griffin, Board Chairman

From the Chairman: A Farewell and A Welcome

Dear San Antonio Fire & Police Pension Fund Members,

I just wanted to take a moment to share with you some of the big and exciting changes that are taking place within your senior leadership at the San Antonio Fire & Police Pension Fund.

On behalf of your Board of Trustees, it is with great accomplishment and service that **Warren J. Schott** has retired from the Executive Director's position at SAFPPF.

Warren has served the Fund tirelessly and with exceptional leadership. Our Fund has been privileged to have Warren at the helm for almost three decades, and his dedication to the Fund's success has been demonstrated through economic booms- but more importantly his knowledge during the most difficult of economic times has been invaluable.

Warren's dedication to our success was often displayed in his disciplined governance, which has been a stabilizing force and source of long-term stability that has been instrumental to the Fund's success as well as successorship within your Trustees and Staff alike.

During Warren's tenure, the Fund has experienced remarkable growth and success. Starting with just under \$1 billion in assets in 2003, Warren's tenure has ended with the Fund now holding \$4.5 billion today. This growth and performance are the direct result of sound investing through the implementation of fiduciary duties, due diligence, integrity, and the ability to lead an exceptional team of Staff and Trustees alike.

As a result, SAFPPF, the thousands of firefighters and police officers, retirees, and City of San Antonio it represents have reaped the reward of a secure and well managed retirement system.

With Warren's retirement, the SAFPPF was lucky to have a number of qualified candidates apply for the Executive Directors position. With a strong field of applicants, the Board of

(Continued, next page)

From the Chairman, continued

Trustees is proud to have unanimously appointed **Gail A. Jensen** as the Fund's next Executive Director.

If the name sounds familiar, that is because many of us know Gail from her near decade of service as our General Counsel. Gail has served tirelessly and has provided a steady hand and legal stewardship through complex governance, regulatory, and member-service matters. Gail's role as General Counsel provided her with an intimate knowledge of all the intricacies of our Public Fund. It is through this service that Gail has gained the confidence of our Board, our Staff, and our Membership alike. I have the utmost confidence that she will continue to display the highest levels of integrity, professionalism, as well as possess a deep understanding of the responsibilities we carry.

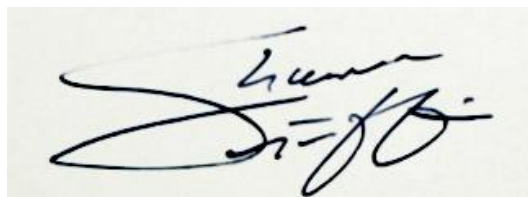
Gail steps into the Executive Director's position, exceptionally well prepared. She has worked in lockstep with Warren and the Board for years, and is bringing continuity, vision, and successorship into SAFPPF's next chapter. With a continued focus on member service, fiduciary duty, modernization, and operational excellence, the SAFPPF's future remains bright.

As Chairman of your Board of Trustees, I am committed to working with Gail, the Board and Staff to ensure a smooth and successful transition occurs. Together, we will uphold the principles that have made our Fund one of the strongest and most respected pension systems within the state. Through the continued collaboration and dedication of our Staff, the engagement of our Trustees, and the stewardship of our executive leadership- I am confident that the Fund will remain strong and well positioned on the path to success.

Please join me in thanking Warren for his extraordinary dedication and service, and in welcoming Gail as she dons a new hat, assuming the role and responsibilities of the Executive Director.

It is with pride and privilege that we serve,

Sincerely,

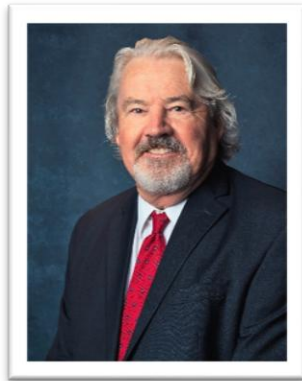
A handwritten signature in black ink, appearing to read 'Shawn Griffin', written over a light-colored background.

Shawn Griffin

Chairman, Board of Trustees
San Antonio Fire and Police
Pension Fund

Staying the Course in Volatile Markets

Harry Griffin, SAFPPF Trustee, Retired Police



Harry Griffin

I have heard concerns from a few members about how the pension fund protects itself against market corrections.

It's a fair question, especially after last year's strong performance

in metals like gold and silver, which some view as a hedge during downturns.

Market corrections are normal — and expected.

Every trustee, staff member, and professional advisor understands that the stock market will correct. It always has and always will. Many experts believe a pullback is overdue, but timing corrections is historically unreliable.

The San Antonio Fire & Police Pension Fund is built for long-term stability.

Our long-term perspective has paid off. We are nearly 90% funded and on track to eliminate our unfunded liability in approximately 20 years.

Our asset allocation — developed with our consultants and professional staff — is designed to achieve a 7.25% long-term annualized return while taking less risk than most U.S. pension funds.

The Fund has successfully navigated every major correction of the past 25 years.

We have endured the Dot-Com crash, 9/11, the 2008 financial crisis, the 2020 COVID crash, inflation shocks, interest-rate spikes, and multiple geopolitical events.

Through all of these, the Fund remained strong and disciplined because we follow a diversified, risk-controlled strategy rather than reacting to short-term fears.

Our gold exposure is intentionally minimal — and has been for years.

The Fund has never made a direct investment in gold. Some external managers may hold small amounts, but typically well under 2% within their own portfolios.

We previously employed First Eagle, which historically maintained meaningful gold exposure as part of its strategy. That manager is no longer on our roster.

Clarifying how our managers are structured.

We have more than 60 manager relationships, most of which are in private markets.

Northern Trust manages our Russell 1000 Growth Index and Russell 1000 Index allocations, which together exceed 15% of the Fund — and may be higher following recent transactions. These are broad, diversified index exposures, and not concentrated active bets.

What would gold exposure look like in practice?

Even if a manager held gold today, it would represent a very small portion of the overall \$4.5 billion Fund.

When we had First Eagle, if their gold exposure was around 20%, the Fund-level exposure could have been higher than 0.5%, but that is no longer the case.

(Continued, next page)

Staying the Course, continued

Why we do NOT make large allocations to gold.

Gold is volatile, produces no income, and does not generate dividends or cash flow.

A large allocation would increase concentration risk and reduce the Fund's ability to meet long-term return targets.

Our fiduciary duty requires us to follow the guidance of our professional investment staff and consultants, who recommend diversified, evidence-based strategies — not large bets on a single commodity.

Our approach is deliberate, diversified, and prudent.

We do not buy individual assets like gold or cryptocurrency for the Fund.

Our structure is designed to protect members through all market cycles, not just one anticipated correction.

I appreciate our members' concerns and am always available to discuss these matters.

The simple fact is that our long-term success speaks for itself, no matter what economic conditions arise. Our approach works.



How We Compared Among Texas' \$1 billion+ Pension Systems

Funded Ratios of Billion \$ City Systems

Pension System	Funded Ratio	Market Value (Millions)
Houston Firefighters' Relief and Retirement Fund	93.3	\$ 5,378
Houston Police Officers Pension System	94.2	\$ 7,779
San Antonio Fire and Police Pension Fund	85.4	\$ 4,124
El Paso Firemen's Pension Fund	82.8	\$ 740
CPS Energy Pension Plan	83.8	\$ 2,136
El Paso Policemen's Pension Fund	81.6	\$ 1,054
Austin Firefighters Retirement Fund	76.9	\$ 1,165
Dallas Co. Hospital District Retirement Income Plan	72.9	\$ 1,573
Houston Municipal Employees Pension System	72.7	\$ 4,360

A pension fund's funded ratio measures how much money it has today compared to the benefits it owes in the future. A ratio of 100% means the fund has every dollar needed to pay all promised benefits. Ratios above 80% are generally considered healthy by the Texas Pension Review Board. Higher funded ratios reflect stronger long-term stability, disciplined contributions, and responsible investment management.



How We Compared Among Texas' \$1 billion+ Pension Systems

Amortization Period of Billion \$ Systems in Texas

Pension System	Amortization Period (yrs)	Market Value in Millions
Houston Police Officers Pension System	7.0	\$ 8,269
Houston Firefighters' Relief and Retirement Fund	9.1	\$ 5,378
Houston Municipal Employees Pension System	13.0	\$ 4,360
El Paso Police Pension Fund	15.1	\$ 1,054
El Paso Firemen's Pension Fund	15.8	\$ 740
Dallas Co. Hospital District Retirement Income Plan	19.0	\$ 1,880
San Antonio Fire and Police Pension Fund	20.6	\$ 4,124
CPS Energy Pension Plan	24.0	\$ 2,406
Austin Police Retirement System	27.4	\$ 1,082
Austin Employees' Retirement Fund	29.0	\$ 3,570
Fort Worth Employees Retirement Fund	29.0	\$ 2,934
Dallas Employees' Retirement Fund	30.0	\$ 3,757
Austin Firefighters Retirement Fund	31.0	\$ 1,165
Dallas Police and Fire Pension (Combined Plan)	82.0	\$ 1,806

The Pension Review Board recommends that Amortization Periods are maintained below 25 years, so the lower the better. Source: Texas Pension Review Board Actuarial Valuation Report December 11, 2025.

A pension fund's amortization period measures how long it will take to pay off any unfunded liability, assuming current contributions and investment returns. The shorter the period, the healthier and more sustainable the plan. The Texas Pension Review Board recommends keeping this number **below 25 years**, making lower values a sign of strong funding discipline and long-term stability.

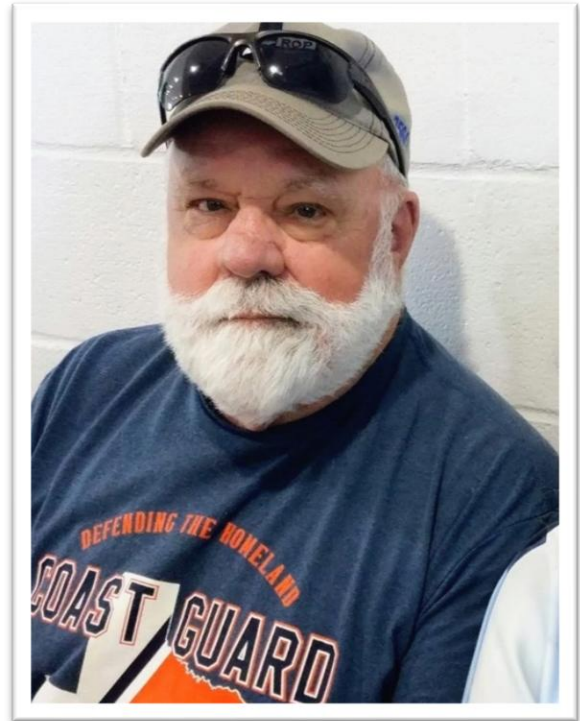
Member Spotlight: A Tribute to Dale Hancock

By Carlos Resendez, former Executive Director and Harry Griffin, Police Retiree Trustee

On January 12, 2026, former San Antonio police officer Dale G. Hancock passed away. His career with the San Antonio Police Department ended in October, 2010 as a hostage negotiator and field training officer. But his legacy extends far beyond that because of what his story should tell you about Dale, determination, the SAPD, and the San Antonio Fire and Police Pension Fund.

There is little doubt Dale had an uncommon outlook on life. He would explain that he would go to church on Sundays and Wednesday, then live like hell the rest of the week. In fact, he said that he should have been dead several times, and had he died, he would have gone to hell.

A burglar shot Dale at close range with a shotgun in 1977, and his wounds were so severe the doctors recommended that his wife should make funeral arrangements. Miraculously, he survived that and several other close calls, but he was forced in 1982 to retire on the pension fund's disability provisions. It was a decision that ended the career he loved.



Dale Hancock

But Dale was tenacious and headstrong. His vision for his life never dimmed his conviction that he still belonged in the San Antonio Police Department.

That determination brought him back into the office of our Pension Fund. He wanted to rejoin the police department and as such terminate his disability pension. It was the first time either organization had had to consider such a change

(Continued, next page)

Dale Hancock Tribute, continued

could be allowed to occur. This was a unique circumstance with challenges.

The first hurdle was at the Pension Fund. Its law is silent on such a situation because it never contemplated that such a change could occur. While the Pension Fund Board was supportive, it had one major concern: Would the department accept Dale back into full-time duty so that he could again become an active member of the fund? If that could occur, then the Board believed it could also make the change.

When we told the Chief at the time about this situation, he agreed that Dale could come back if he once again completed all the requirements of the training academy. While this might have given anyone pause, Dale didn't bat an eye; he accepted the Chief's proposal with a smile. "Of course I will," he said.

In April 1993, after being retired on disability for over 10 years, Dale completed the requirements and was reinstated to SAPD. Dale was a winner that night and we shared in a joyful celebration of his incredible achievement. Not once in the

history of the Fund or the department had someone been removed from disability status and returned to active duty. But Dale had done it.

Dale offers all of us some major lessons in determination and dedication to duty. No matter the obstacle, no matter how impossible the path appears, never give up. His life, and the willingness of SAPD and the Pension Fund to walk that path with him, remains a powerful reminder of what can happen when the call of duty is respected and honored by us and our institutions. It is a lesson for all our members.

In 1993, Carlos Resendez was the SAFPPF Executive Director of the Pension Fund and Harry Griffin was an Active Police Trustee on the Pension Fund Board.



2026 Trustee Board Meetings

The SAFPPF Board of Trustees has placed its Board Meetings on the Event Calendar of the www.SAFPPF.org website.

April 30, 2 p.m.	September 30
May 27	October 28
June 24	November 25
July 29	December 16
August 26	

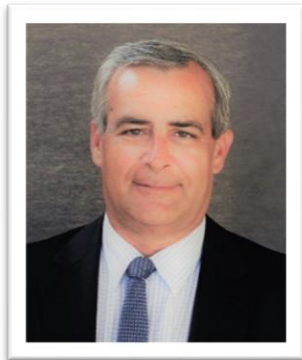
All Meetings, except April 30, begin at 9:30 a.m.

The Public and All Members are encouraged to attend Board Meetings.

**@SAFPPF HQ, 11603 W Coker Loop, Suite 201
San Antonio, TX**

2026 Investment Update: Performance Update

Cary Hally, SAFPPF Chief Investment Officer



For the calendar year of 2025, the San Antonio Fire and Police Pension Fund (the Fund) had strong investment results, returning +10.8%.

This follows on the strong positive results achieved in the preceding two years (for the calendar years of 2023 and 2024 the Fund had positive returns of +11.9% and +8.5%, respectively). The market value of assets for the Fund as of December 31, 2025 was \$4.5 billion, up from the \$4.1 billion value at the beginning of the year.

Public Equities

The largest portion of our investment portfolio, publicly traded stocks (47% of Fund assets as of December 31) was up +18.1% for 2026.

The international stock portion of our overall equity portfolio lead the way with a return of +31.1% for the year, followed by the domestic stock performance of +11.7% for the year.

The strong relative performance of international results vs. domestic results is partially the result of a weakening US dollar relative to other currencies.

Fixed Income & Private Markets

The total fixed income portfolio (the next largest allocation of assets representing 19% of the total Fund at year end) was up +6.7%.

The results for the allocation to private market investments were also positive for the year. It is important to note the returns for private market assets are lagged one quarter due to timing constraints involved in aggregating and auditing private market data, and the results for 2025 only include three full quarters at this time.

Real Assets, Real Estate, Private Debt

The allocation to real assets (5% of the Fund) returned 5.7% for the year, while the allocation to private real estate (8% of the total Fund) returned +2.5%.

The allocation to private debt (9% of the Fund as of December 31, 2025) was up +6.1% for the year, while the allocation to private equity (11% of the Fund) was up +7.2%.

Asset-Liability Study

All of the Fund's asset classes are near respective targets, and well within policy ranges. At the end of the year, the Board tactically shifted a couple percentage out of international equities and rebalanced into large cap domestic equities.

Investment Staff

The investment staff for the Fund consists of myself as Chief Investment Officer and two investment analysts. Recently one of the analysts, **Wesley Levanduski**, resigned for personal family reasons.

As a result, we have hired a new investment analyst, **Leon Ramirez**, to feel the void. While Wesley will be missed as part of the investment team for the Fund, we are excited to have Leon join the team.

Benefits Spotlight: The 1099-R Form

Rick Matye, SAFPPF Payroll & Benefits Supervisor



Every January the Pension Fund provides IRS Form 1099-R to retirees and beneficiaries who have received payments in the previous year.

The form includes information necessary for the payees to prepare personal income tax returns.

In addition to identifying information, the form includes Gross Distribution, Taxable Amount, Federal Income Tax Withheld, and Distribution Code. Most payments are taxed as regular income. If the payment is not taxable, the Taxable Amount will be zero.

Understanding the Codes

The Distribution Code describes the type of payment. Two codes refer to items subject to special tax treatment. They are Code 1 and Code G.

Code 1 means that there is no known exception to the additional 10% tax for early distribution. This relates to a Refund of Contributions or BackDROP lump sum payment made directly to an individual who has not met the age or service credit requirements needed to avoid the 10% “penalty.”

Code G means your Refund or BackDROP was rolled over to a qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA. The Taxable Amount will be zero unless rolled over to a Roth account.

BackDROP Considerations

If you elect to take a BackDROP at retirement, you will receive more than one Form 1099-R for the year you retire. One for

your monthly annuity and one or more for your BackDROP lump sum.

If you have part of the BackDROP paid directly to you and part rolled over, you will receive two forms for the BackDROP payments. The tax treatment of the BackDROP depends on how it is paid, so you need a separate form for each type of payment.

About the Forms You Receive

The Pension Fund does not print and mail the forms from the Pension Office. We use a third party specializing in this process.

Payment information is loaded from our pension software system into a format approved by the third party. After checking totals and samples of the forms, the file is sent through an online portal to the third party. This happens about January 15th to 20th. It usually takes one or two days for the third party to print and mail the forms. Payees generally start getting the forms a week or so before month end.

This year was a little different. The forms came from a distribution center in Massachusetts. The blizzard conditions in the area created a delay and the forms came a little later than usual. Federal law requires that Forms 1099-R be mailed by January 31. We have always met that requirement. If you do not receive the form in the mail, your 1099-R is available on MemberDirect. MemberDirect can be accessed through the Pension Fund website at safppf.org.

A Benefits Specialist can help if you are having problems registering or logging in. If you cannot access MemberDirect, call the Pension Office and a Benefits Specialist can get the form to you. Please contact the Pension Office at **210-534-3262**.

Photo Takes



Friends and family gathered March 11 to celebrate Warren Schott's retirement. In the photo are Trustees who came out to wish him the best as he starts his next chapter in life. From left are current Board Chair Shawn Griffin; former Trustees Reed Williams, Don Waggoner, Teddy Stewart, Bart Moczymba, Justin Rodriguez, Warren, then current Trustee Harry Griffin, and past Trustees JT Trevino, Clayton Perry, Shawn Ury, and Jim Smith.



Warren Schott (r) visited with Charlie Ricketts (l), the president of the San Antonio Fire and Police Pensioners' Association, at the celebration held for Schott's retirement on March 11.

COMING THIS APRIL!

THE PENSION FUND'S WEBSITE IS GETTING AN UPGRADE!

UPDATED FOR GREATER ACCESSIBILITY

EASY TO READ & NAVIGATE **IMPROVED ASSISTIVE FEATURES** **INCLUSIVE FOR EVERYONE**

A BETTER, MORE ACCESSIBLE WEBSITE IS ON THE WAY!

STAY TUNED FOR THE NEW LAUNCH!



We honor the memory of those active and retired police officers and firefighters who passed away in 2025. We continue to be grateful for their past service and sacrifice.

FIREFIIGHTERS	DATE OF DEATH
Patrick G. Koerber	12/29/2025
Galen Norvelle Bilbrey	11/21/2025
Emiliano Obregon De Leon	11/07/2025
Alejandro Vargas	10/06/2025
George W. Randall	09/11/2025
James McBride	08/30/2025
Alfred Michalczak	08/15/2025
Daniel Flores Yanez	08/14/2025
Keith W. Sims	08/07/2025
James Crawford	08/06/2025
Rudy Lopez, Jr.	07/29/2025
Daniel Zertuche	07/18/2025
Rodolfo Cadena	07/09/2025
Stephen L. Tefteller	06/21/2025
Robert Adame	06/18/2025
Asher C. Brown	04/30/2025
Paul R. Ocampo	04/22/2025
James Collins	04/04/2025
Ronald M. Carrillo	03/25/2025
Frank C. Espiritu, Jr.	03/20/2025
Jerry R. Reyes	03/11/2025
Ralph Maynard Ackley	02/10/2025
Benito G. De Leon	02/04/2025
Gabriel A. Zapata	01/04/2025

POLICE OFFICERS	DATE OF DEATH
Richard Pena	12/16/2025
Barbara A. Niemann	12/08/2025
Thomas Secraw	11/26/2025
Robert M. Duross	11/18/2025
Eugene Toifl	10/06/2025
Zaragoza Robles	10/06/2025
Harvey Jackson	10/06/2025
Eugene Tobias	10/05/2025
Randall Eugene McCumbers	09/28/2025
Abel Rodriguez	09/14/2025
Gilbert Solis	09/14/2025
Ben Donahoe, Sr.	08/28/2025
Phillip Verhelst	08/01/2025
Twain J. Jagge	07/19/2025
Joseph Wilson	07/17/2025
Stephen L. Verschoyle, Sr.	06/21/2025
Douglas Stockton	05/23/2025
Oscar Trevino	05/20/2025
Darrell Lynn Volkmann	05/15/2025
Donald M. Kelley	05/15/2025
David Herrera	05/10/2025
Antonio M. Alvarado	04/30/2025
Patrick M. Hemond	04/26/2025
Herschel A. Moore	04/11/2025
Chinee Edwards, Jr.	03/28/2025
Gerald Clayton Conrad, Jr.	03/19/2025
Ronald Becker	03/05/2025
Stanley Lee West	02/23/2025
Warner Van Horn	02/19/2025
Dempsey Wilson, Jr.	02/09/2025
Roy Edgar Britt, III	01/31/2025
Ruben Hernandez	01/19/2025
George Edward Sefcik	01/18/2025
Fernando Vasquez Luna	01/06/2025



Fire and Police Pension Fund, San Antonio

11603 W. Coker Loop, Suite 201
 San Antonio, TX 78216
 210.534.3262 fax: 210.534.4339

THE ADVISOR

© 2026

Board of Trustees

City of San Antonio
 Councilwoman Misty Spears
 Councilwoman Dr. Sukh Kaur
 Councilman Jalen McKee-Rodriguez

Fire Department
 Shawn Griffin, Chairman
 Michael McCarty

Police Department
 Washington Moscoso
 Ryan Reynolds, Secretary

Retiree Representatives
 Harry Griffin / Police
 Larry A. Reed / Fire / Vice Chairman

Executive Director
 Gail A. Jensen